Essentive Registry
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16 January 1953

MEMORANDUM FOR: Assistant Deputy Director/Administration

SUBJECT

- : Comments on Staff Study on Economic Intelligence Initiation and Control Throughout ORR, 15 January 1953
- 1. Subject report, while well-intended and useful in some parts, is as an aggregate completely unacceptable for many reasons of which the following are only the highlights.
  - a. Failure to appreciate the vast functional differences between Government-wide coordination of economic intelligence activity and interchange of ideas on the one hand and administration of internal research on the other.
  - b. Failure to recognize the difference in time factor between ephemeral support of current economic defense activities and laying of foundation for long-range research support of national intelligence.
  - c. Ascribing of present lack of definition of responsibility of the Office of the Chief of Research to poor organizational structure rather than to the simple fact that the position has not yet been filled, which has made it necessary for me as Assistant Director to in effect wear two hats.
  - d. Misunderstanding of the functions and duties of the Production Control Branch because of surveying said Branch during a time when the incumbent chief was utterly ineffective and was being eased out in favor of the present incumbent who has already demonstrated his capability to handle the job.
  - e. Factual error as to the communication link between this Office and the Office of National Estimates. A two-minute talk with me would have avoided this.
- 2. Upon assignment to this position last March, the undersigned immediately recognized the need for a substantial alteration of the then existing office structure and during the succeeding two months

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painstakingly worked out with appropriate internal and external guidance the current organizational plan. After two months of study by DDA officials, this T/O was approved on 22 August. The process of implementing it has been admittedly slow because of difficulties and delays in recruiting and specific disappointments in obtaining certain top-level officials. In my opinion it is entirely premature at this time to reexamine the over-all organization.

3. The assistance of Management specialists and Classification people was requested and is welcomed for the purpose of analysis and recommendation of branch organization and function within the over-all scheme established. The present report arises from an ill-considered and unwarranted expansion of the foregoing mission and should be, for several months at least, "laid on the table."

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Assistant Director Research and Reports